

California Victim Compensation and Government Claims Board

Open Meeting Minutes

August 21, 2008, Board Meeting

The California Victim Compensation and Government Claims Board convened its meeting in open session at the call of Rosario Marin, Secretary, State and Consumer Services Agency, at 400 R Street, Sacramento, California, on Thursday, August 21, 2008, at 10:01 a.m. Also present were Board members Les Kleinberg, Deputy Controller, acting for and in the absence of John Chiang, Controller, and Michael Ramos, San Bernardino County District Attorney.

Board staff present included Julie Nauman, Executive Officer; Tom O'Connor, Chief Deputy Executive Officer; and Garry Ness, Chief Counsel. Tisha Heard, Board Liaison, recorded the meeting.

The Board meeting commenced with the Pledge of Allegiance.

Item 1. Announcement of Executive Officer

Chairperson Marin introduced Julie Nauman, Executive Officer. Chairperson Marin stated Ms. Nauman has very broad experience in government and previously served as the Chief Deputy Director of the Integrated Waste Management Board. The Board welcomed Ms. Nauman and stated they are pleased she accepted the position.

Item 2. Minutes of the June 26, 2008, Board Meeting

The Board voted to adopt the minutes of the June 26, 2008, Board meeting.

Item 3. Minutes of the July 24, 2008, Board Meeting

The Board voted to adopt the minutes of the July 24, 2008, Board meeting.

Item 4. Public Comment

The Board opened the meeting for public comment. Chairperson Marin addressed the audience to give claimant Ruth Craft, claim number 89758, an opportunity to address the Board. Ruth Craft was not in attendance at the meeting.

Garry Ness, Chief Counsel, stated that staff spoke with Ms. Craft and advised her of the process and procedures regarding her claim.

Item 5. Executive Officer's Statement

Julie Nauman, Executive Officer, stated she joined the VCGCB on July 1. The Executive Officer thanked the Board members for entrusting her to lead the VCGCB. The Executive Officer stated she was warmly welcomed by staff and is impressed with their dedication and enthusiasm in providing services to the people of the State of California. The Executive Officer stated the Board's strong leadership and solid initiatives such as our new strategic plan and the new CaRES claims management system have served to establish a solid foundation for the future of the organization. The Executive Officer gave the following report:

- California has the honor of serving as the host state for the National Training Conference of the National Association of Crime Victim Compensation Boards meeting that will be held on September 8-12 in San Diego. The Executive Officer stated Secretary Marin is scheduled to deliver opening remarks.
- The strategic planning process is critical for the advancement of an organization. The 2008-2012 Strategic Plan includes the following vision and mission statements:

Vision – By 2012, we will be recognized as the national model for victim compensation and one of the best places to work in California.

Mission – The California Victim Compensation and Government Claims Board provides responsive financial compensation to victims of crime through a stable Restitution Fund, and for those with claims against the State, an opportunity to resolve those claims or proceed with other remedies.

- The Executive Officer reported that in addition to the vision and mission statements, six strategic goals have been identified. With the involvement of staff at all levels, last month staff completed the development of action strategies to accomplish each of these goals. Metrics, such as surveys and statistical analysis, have been incorporated into the process which will allow the VCGCB to establish a baseline in these areas and to continue to measure our progress toward achieving our strategic goals. In addition, strategy teams are developing charters that will lead to very clear roadmaps for each of our strategies. The Executive Officer reported that over the next 9 to 12 months, we will know the specific steps we will take in each of those action strategies with a focus on the achievement of those goals.
- Based on data from the 2007-2008 fiscal year, the Victim Compensation Program reached more victims of violent crime than in the prior fiscal year and provided expanded resources to help victims recover from their injuries. In FY 07-08, the VCP received nearly 54,000 applications, an increase of 10 percent compared to the prior year. Compensation payments also increased nearly 10 percent to just over \$82 million which exceeded the projection in the Governor's Budget by \$2 million. The Executive Officer stated JoAnn Goodwin will provide a more detailed analysis when she presents the Quarterly Statistical Report later in the agenda.
- The VCGCB will join the nation in marking the seventh anniversary of the September 11 attacks. Many observances and memorials are planned. Chairperson Marin and the Executive Officer will cosign a letter on behalf of the Board expressing our continued support for the hundreds of Californians assisted by the VCP in the wake of the 9/11 attacks.
- Four new resources for reaching and assisting victims of violent crime are now available in Spanish and include the following: a new poster, more detailed informational brochure, business-sized cards with basic information for first responders, and an information sheet on relocation, housing, and shelter resources for victims of domestic violence and other violent crimes. The VCGCB will report all of these new materials in the new edition of the *Victim Compensation Connection* which will also include information on how to receive these free publications.
- The VCGCB participated, or will participate, in several events and meetings.

Secretary Marin stated she had a few minor changes to the materials that were translated into Spanish.

Item 6. Contract Report

The Executive Officer presented the Contract Report to the Board.

Item 7. Legislative Update

Gary Longholm, Deputy Executive Officer, Legislation and Public Affairs Division, stated there were a few changes to the legislative report due to legislative changes. Mr. Longholm gave the following report:

- AB 717 (Fuller), Victim Compensation Omnibus bill, passed and went to enrollment. As with all enrolled bills, it is being held pending a State Budget.

- AB 2597 (Leno), Government Claims Bill, passed and has been chaptered. The VCGCB is unable to make payment on claims until there is a State Budget.
- SB 1138 (Torlakson) now SB 462, Government Claims Bill, cleared the Assembly. The last legislative action that is necessary to pass the bill is a concurrence vote on the Senate.
- AB 2487 (Berg), Domestic Violence Judgments, held in committee. It will not pass this year.
- AB 2680 (Adams), Discharge from Accountability: Water Bonds, passed but was returned from enrollment and amended. It will move on to the Assembly for a concurrence vote.
- AB 2809 (Leno), Minor Victims: Mental Health Counseling, passed and went to enrollment.
- AB 2928 (Spitzer) Collections: Amounts Imposed by Courts, passed and went to enrollment.
- AB 2937 (Solorio), Wrongful Convictions, has been amended and has passed and went to enrollment.

Government Claims Program

Item 8. Consent Agenda (Nos. 1- 868)

The Board voted to adopt the staff recommendations for numbers 1-868 with the following exceptions: number 155, G568076, removed due to pending review of additional information received from the claimant; number 179, G172988, removed at the request of the claimant in order to address the Board; number 181, G573007, removed at the request of the claimant in order to address the Board; number 229, G574680, removed at the request of the claimant in order to address the Board; number 536, G575875, removed at the request of the claimant in order to address the Board; number 596, G576017, removed due to pending review of a claim amendment received from the claimant; number 845, G575684, removed at the request of the claimant in order to address the Board.

The Board voted to adopt the staff recommendations for numbers 1-868 with the exceptions noted above.

Consent Agenda Appearance

Item Number 179

The claimant failed to appear. The Board voted to reject the claim.

Consent Agenda Appearance

Item Number 181

The claimant failed to appear. The Board voted to reject the claim.

Consent Agenda Appearance

Item Number 229

Claimant Linda Davis addressed the Board. There was no representation from the Department of Parks and Recreation or the Attorney General's Office.

The Board voted to approve the claim.

Consent Agenda Appearance

Item Number 536

The claimant failed to appear. The Board voted to reject the claim.

Consent Agenda Appearance
Item Number 845

Claimant Olukemi Macaulay addressed the Board. The Board voted to deny the late claim application.

Item 9. Central Contra Costa Sanitary District
Claim Number G567585

The Board voted to adopt the staff recommendation to allow the claim in the total amount of \$122,713.76 to be paid under authority of Government Code section 965 (agency pay).

Item 10. Kenneth Matney
Claim Number G568445

The Board voted to adopt the staff recommendation to allow the claim in the total amount of \$171.12 to be paid under authority of Government Code section 965 (agency pay).

The Board requested staff work with the Department of Personnel Administration to make arrangements with the Internal Revenue Service to allow claims for payment for individuals who book lodging through third-party vendors but who do not have hotel receipts. The Board stated that booking lodging through third-party vendors saves the State money and a person should not be penalized for trying to save the State money.

Item 11. Inter-Con Security Systems, Inc.
Claim Number G571975

Steven Tolle appeared on behalf of the Department of Corrections and Rehabilitation. The Board voted to adopt the staff recommendation to allow the claim in the amount of \$80,905.84 to be paid under authority of Government Code section 965 (agency pay).

Item 12. Bradford D. Hauk
Claim Number G572219

The Board voted to adopt the staff recommendation to partially allow the claim in the amount of \$130.00 to be paid under authority of Government Code section 965 (agency pay).

Item 13. Peterson Power Systems, Inc.
Claim Number G574406

Steven Tolle appeared on behalf of the Department of Corrections and Rehabilitation. The Board voted to adopt the staff recommendation to allow the claim in the amount of \$131,503.08 to be paid under authority of Government Code section 965 (agency pay).

Item 14. EVault
Claim Number G575472

Stan Bajorin, Deputy Director, Administrative Services, appeared on behalf of the Department of Mental Health. Sherma Buccellato appeared on behalf of EVault. The Board voted to adopt the staff recommendation to partially allow the claim in the amount of \$191,932.04), excluding finance charges in the amount of \$22,713.15, to be paid under authority of Government Code section 965 (agency pay).

Garry Ness, Chief Counsel, stated the state can pay late payment penalties only in the event of an undisputed invoice on a contract. Since there was no contract, there is not an undisputed circumstance. Late penalties are not applicable when there is no contract.

Chairperson Marin stated it is important to have processes in place to ensure that this type of situation does not occur in the future.

Mr. Bajorin stated training on the entire contract process will be provided to his staff. Mr. Bajorin also stated the entire contracting process for headquarters is now being centralized in the Division of Administration which he oversees as Deputy Director. The Division of Administration will enter into all contracts on behalf of all programs within the Department of Mental Health.

Chairperson Marin stated the Department of General Services would be willing to provide support by providing training on contracts to his staff.

Item 15. Kidney Dialysis Center of San Luis Obispo
Claim Number G576335

The Board voted to adopt the staff recommendation to allow the claim in the amount of \$99,373.50 to be paid under authority of Government Code section 965 (agency pay).

Item 16. Applications for Discharge from Accountability for Collection

The Board voted to adopt the staff recommendation to allow the 166 requests by various state agencies (applicants) for discharge from accountability for collection of debts totaling \$624,230,470.83.

Board member Les Kleinberg stated it is unfortunate that the debt has become uncollectible. It is generally past the statutes of limitations. In some cases, inadequate state resources make it difficult to gain access and collect the money before the statute runs out. Mr. Kleinberg stated the State Controller's Office (SCO), the Attorney General's Office, and the Department of Finance are looking at ways in which more staff resources can be directed towards collecting these debts before they become uncollectible and, in turn, eliminate the need for the Board to sign off on money that is rightfully owed to the State. Mr. Kleinberg stated that in the case of the debts before the Board today, it is past the point of collection. In the future, when resources are available perhaps this money can be recouped before it is put on this list.

Jackie Tinetti, Manager, Government Claims Program, stated the SCO asked the Board to consider the applications for discharge from accountability on a monthly rather than on a quarterly basis. The Board agreed to the request.

Item 17. Government Claims Program California Highway Patrol Pilot Program

The Board voted to adopt the staff recommendation to approve continuance of the Government Claims Program/California Highway Patrol Pilot Project, now known as the CHP Project, effective August 22, 2008. The Board further voted to adopt the staff recommendation to continue with the current provisions in effect through August 30, 2010, with the provision that the project may be discontinued by either the Board or the CHP with thirty (30) days' written notice.

Item 18. Hawaii Pacific International, Inc.
Invitation for Bid No. CMC 095SF30102AS0

The Board voted to adopt the staff recommendation to deny the protest.

Item 19. Bruce L. Sons
Claim Number G562540

Jennifer Poe appeared on behalf of the California Department of Justice, Office of the Attorney General.

The Board voted to adopt the staff recommendation to deny the claim.

Victim Compensation Program

The Board commenced the Victim Compensation Program portion of the meeting at 11:18 a.m.

VCP Statistical Report

JoAnn Goodwin, Assistant Deputy Executive Officer, Victim Compensation Program, presented the VCP Statistical Report to the Board.

Consent Agenda (Nos. 1- 4)

The Board voted to adopt the staff recommendations.

Requests for Reconsideration
Recommendation: Partial Allow (No. 5)

The Board voted to adopt the staff recommendation.

Requests for Reconsideration
Recommendation: Deny (Nos. 6-11)

The Board voted to adopt the staff recommendations.

Reconsiderations Following Board Action on a Proposed Decision
Recommendation: Allow (No. 12)

The Board voted to adopt the proposed decision.

Reconsiderations Following Board Action on a Proposed Decision
Recommendation: Deny (Nos. 13-16)

The Board voted to adopt the proposed decisions.

Proposed Decisions Following Failure to Respond
(Nos. 17-31)

The Board voted to adopt the proposed decisions.

Proposed Decisions Following Failure to Appear
(Nos. 37- 51)

The Board voted to adopt the proposed decisions. The Board also voted to approve number 48 as a Failure to Respond.

Closed Session

Pursuant to Government Code section 11126(c)(3), the Board adjourned into Closed Session with the Board's Executive Officer, Chief Deputy Executive Officer, and Chief Counsel at 11:22 a.m. to deliberate on the proposed decisions, numbers 52 through 84.

The Board reconvened into open session at 11:28 a.m.

Open Session

The Board voted to adopt the proposed decisions for numbers 52 through 84.

Report by Chief Counsel on Prior Board Action

Ken Faulkner

Claim Number G539298

Garry Ness, Chief Counsel, reported that the Board was a defendant in a writ of mandate in *Ken Faulkner v. California Victim Compensation and Government Claims Board*, Kern County Superior Court, Case No. 256375, a Penal Code section 4900 claim. The Chief Counsel informed the Board that the Court upheld the Board's decision.

Adjournment

The Board meeting adjourned at 11:30 a.m.

Julie Nauman
Executive Officer

I certify that the California Victim Compensation and Government Claims Board adopted these minutes at its meeting of September 18, 2008, at Sacramento, California.

Date: September 18, 2008

By: _____
Board Liaison (Affix Seal here)